

FEB 09 1983

Helmsley-Spear, Inc.

BUSINESS ESTABLISHED 1866

Real Estate • Insurance

February 8, 1983

709 WESTCHESTER AVENUE
WHITE PLAINS, N. Y. 10604
(914) 428-4300

Mr. Simon Key
Bank of New York
Third Floor
19 Rector Street
New York, New York 10015

Dear Simon:

As we discussed, further to my letter of February 3rd, I would like to review the four properties presently under consideration.

1. Baker Properties, Cortlandt Facility - meets with all requirements and provides the best dollar deal for an existing building as outlined in proposal. Based on our discussion, it is our feeling that the Bank must make a decision in regard to the Cortlandt location for accessibility only.
2. Build to Suit, Rt. 303 and New York State Thruway, Exit 12 - Baker Properties has informed me that they will provide a build to suit in the range of \$4.40 to \$4.50 per square foot flat for 10 years. They are hesitant to make a firm quote on this figure until they have had the opportunity to meet with you and obtain more exact information on office requirements, type of construction, etc. However, I am confident that based on my knowledge of Baker Properties that they can provide the best product at the lowest overall cost. I further suggest that we arrange for Jean Pfister to meet with the Real Estate Group including Messrs. Bent, O'Connor and San Marco along with Ms. Pat Rider to discuss Baker's ability as a developer to design, build and deliver on time.

Also, I think it would be beneficial for Pat to discuss with Jean the various equipment and systems necessary to produce the efficient operation you desire. Jean Pfister has also informed me that if we are able to meet some time next week he would be in a position to have the nations leading authority in the design and operation of supply centers, a well known expert in this field, join us at this meeting.

I suggest that this meeting be scheduled during the week of February 14th since this situation appears to be the best overall long range solution to your requirements. You may also note that Baker has an alternative site which is somewhat more secluded, less than 1 mile away and could provide the same opportunity.

Continued.....

Over 100 Years of Service

BCLP02034

Helmsley-Spear, Inc.
White Plains

Mr. Simon Key
February 8, 1983

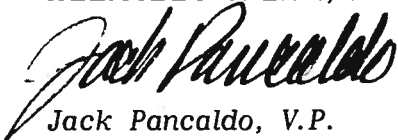
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3. Indesit Building, Harriman, New York - In a discussion with Schroeder Bank, it has been determined that in order to lease this property or have a developer purchase the property and lease it to the Bank, the price in either case would be extremely prohibitive based on existing financing (industrial revenue bonds) considering that equipment and other capital expenditures are included. We would now estimate that rent would be over \$5.00 per square foot.
4. BSR, Rt. 303, Blauvelt, N.Y. - We have written to the principals of BSR and expressed your concern regarding the required office construction, change in the parking area, demising wall, etc. It is our feeling that they will substantially reduce the \$4.50 figure. We will contact you upon receipt of their reply.

Please contact me to review the above as I would like to make arrangements to meet with Baker Properties next week.

Sincerely,

HELMSLEY-SPEAR, INC.



Jack Pancaldo, V.P.
& Regional Manager

JP:it

cc: Mr. Mario San Marco
Mr. Kenneth O'Connor